(360) 377-4614 fax

this matter. Pursuant to the interim settlement memorandum arrived at by the parties at mediation on February 23, 2006, the proposed terms of resolution are now to be submitted to the Board of Directors of defendant NEA-Alaska for approval. The meeting for consideration of the proposed terms of resolution is scheduled to take place on May 13, 2006. In the event that the Board of Directors approves the settlement, plaintiff-intervenors have allowed the defendants until May 19, 2006 to satisfy the monetary terms of the settlement.

Assuming approval of the proposed terms of resolution by the NEA-Alaska Board of Directors, plaintiff-intervenors would expect that the parties will have all appropriate closing papers submitted to the court by close of business May 26, 2006.

DATED this 24th day of April, 2006.

By: /s/ Terry A. Venneberg

Terry A. Venneberg Attorney for Plaintiff-Intervenors Alaska Bar No. 8706056 1126 Highland Avenue, Suite 101 Bremerton, Washington 98337

Phone: 360-377-3566 Fax: 360-377-4614

E-Mail: tavlaw@qwest.net

25262728

3

5

6

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

**Terry A. Venneberg**Attorney at Law
1126 Highland Avenue
Suite 101
Bremerton WA 98337
(360) 377-3566